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DEPT FOR EB/IPE (CLACROSSE) AND EUR/SE  
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SUBJECT: CYPRUS 2006 SPECIAL 301 NOTIFICATION (INTELLECTUAL PROPERTY)

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1842

(U) This cable is sensitive but unclassified. Please protect accordingly.

¶1. (SBU) We delivered reftel points to Commerce Ministry Permanent Secretary Andreas Petrondas on April 28. Ambassador Schlicher followed up with Minister of Commerce Yiorgos Lillikas on May 11. Both Petrondas and Lillikas stressed the importance the GoC places on this issue and noted their commitment to work with the Embassy to further improve IPR enforcement. Both, however, were non-committal about directing the Ministry's Consumer Protection Unit, which is undermanned and has many other responsibilities, to make IPR more of a priority.

¶2. (SBU) Nevertheless, the GoC continues to take steps to improve IPR enforcement. Contacts at the Attorney General Office have confirmed that as part of the process of amending current IPR-related legislation to bring it into compliance with the EU Copyright Directive (EU Directive 2001/84), they are preparing additional amendments designed to reverse the burden of proof in all IPR cases. A key recommendation of the Embassy-sponsored IPR workshop in November (ref c), this would greatly enhance the Police and Customs' ability to confiscate pirated goods and successfully prosecute cases. The amendments would in effect make vendors responsible for proving that their products are legitimate rather than the GoC having to prove that every track of every CD or DVD is pirated. The GoC has already missed the deadline for implementation of the Copyright Directive (April 29, 2006), but plans to submit the amendments to parliament for immediate action when the parliament reconvenes this fall.

¶3. (U) Cyprus has welcomed the creation of two new NGOs concerned with IPR issues so far this year. On May 12, the local representatives of the leading international pharmaceutical research companies establish the "Pharmaceutical Association of Research and Development Companies of Cyprus" or KEFEA (from its Greek acronym). Members include U.S. giants Merck, Sharp, and Dohme (MSD), Wyeth, and Eli Lilly. Other members include GlaxoSmithKline (UK), Novartis (Swiss), Boehringer

Ingelheim (German), Bayer (German), and Sanofi Aventis (French). In January five leading Cypriot professionals formed the Initiative for the Promotion of Research and Competitiveness in Cyprus (IPRCC) dedicated among other things to improve the competitiveness of the Cypriot economy by lobbying the government to ensure strong IPR enforcement.

SCHLICHER